

BILL NO. R-81-11-02

RESOLUTION NO. R-

88-81

AN ORDINANCE authorizing the transfer of funds from Account No. 4262, Garbage Contract Budget Line, to Account No. 4263, Garbage Contract Compliance, in the 1981 Revenue Sharing Appropriation

BE IT ORDAINED BY THE COMMON COUNCIL OF THE CITY OF FORT WAYNE, INDIANA:


SECTION 1: That the Controller of the City of Fort Wayne, Indiana, is hereby authorized to transfer the sum of \$4,000.00 from Account No. 4262, Garbage Contract Budget Line, to Account No. 4263, Garbage Contract Compliance, in the 1981 Revenue Sharing Appropriation.

SECTION 2: That the transfer of the funds will allow for the payment to Coopers & Lybrand for performance of the contract compliance review.

SECTION 3: That this Ordinance shall be in full force and effect from and after its passage, approval by the Mayor of the City of Fort Wayne.


COUNCILMAN

APPROVED AS TO FORM AND
LEGALITY THIS 4th DAY
OF November, 1981.


BRUCE O. BOXBERGER, CITY ATTORNEY

AUDITOR'S OFFICE



NOV 17 1981


AUDITOR OF ALLEN COUNTY

Read the first time in full and on motion by V. Schmidt, seconded by _____, and duly adopted, read the second time by title and referred to the Committee Finance (and the City Plan Commission for recommendation) and Public Hearing to be held after due legal notice, at the Council Chambers, City-County Building, Fort Wayne, Indiana, on _____, 19____, the _____ day of _____, at _____ o'clock _____ M., E.S.T.

DATE: 11-10-81

CHARLES W. WESTERMAN
CITY CLERK

Read the third time in full and on motion by V. Schmidt, seconded by Stier, and duly adopted, placed on its passage. PASSED (~~LOST~~) by the following vote:

	AYES	NAYS	ABSTAINED	ABSENT	TO-WIT:
TOTAL VOTES	<u>9</u>	<u>0</u>	_____	_____	_____
BURNS	<u>✓</u>	_____	_____	_____	_____
EISBART	<u>✓</u>	_____	_____	_____	_____
GIAQUINTA	<u>✓</u>	_____	_____	_____	_____
NUCKOLS	<u>✓</u>	_____	_____	_____	_____
SCHMIDT, D.	<u>✓</u>	_____	_____	_____	_____
SCHMIDT, V.	<u>✓</u>	_____	_____	_____	_____
SCHOMBURG	<u>✓</u>	_____	_____	_____	_____
STIER	<u>✓</u>	_____	_____	_____	_____
TALARICO	<u>✓</u>	_____	_____	_____	_____

DATE: 11-10-81

Charles W. Westerman
CHARLES W. WESTERMAN - CITY CLERK

Passed and adopted by the Common Council of the City of Fort Wayne, Indiana, as (ZONING MAP) (GENERAL) (ANNEXATION) (SPECIAL) (APPROPRIATION) ORDINANCE (RESOLUTION) No. R-88-81 on the 10th day of November, 19 81.

ATTEST:
Charles W. Westerman
CHARLES W. WESTERMAN - CITY CLERK

(SEAL) John Nuckols
PRESIDING OFFICER

Presented by me to the Mayor of the City of Fort Wayne, Indiana, on the 12th day of November, 19 81, at the hour of 10:00 o'clock A M., E.S.T.

Charles W. Westerman
CHARLES W. WESTERMAN - CITY CLERK

Approved and signed by me this 17th day of November 19 81, at the hour of 1:00 o'clock P M., E.S.T.

Winfield C. Moses, Jr.
WINFIELD C. MOSES, JR.
MAYOR



The City of Fort Wayne

October 30, 1981

Mr. Louis W. Pach
Coopers & Lybrand
490 Lincoln Bank Tower
Fort Wayne, Indiana

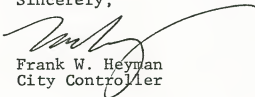
Dear Mr. Pach:

This letter is to inform you that your firm has been selected to perform the compliance review of the solid waste disposal contract which runs from January 1, 1977 through December 31, 1981. It is understood that the work will be done in accordance with your proposal letter dated October 12, 1981 and that, in addition, a sampling will be done of "special billings" as specified in proposition II of the contract between National Serv-All and the City of Fort Wayne.

As you are aware, the final authorization to enter into this engagement requires action by the Fort Wayne City Council. I will be initiating a resolution to transfer funds within the next few weeks. Council should act on this resolution no later than mid-November. At that time, I will once again contact you and make final arrangements for your firm to begin the work of reviewing the transactions related to the solid waste contract.

If you should need any further information from me or have any questions, please contact me.

Sincerely,



Frank W. Heyman
City Controller

cc: Win Moses, Jr.
Tom Latchem

FWH/kme

October 12, 1981

Mr. Frank Heyman
City Controller
City of Fort Wayne
Fort Wayne, Indiana 46801

Dear Mr. Heyman:

We appreciated the opportunity to meet with you on October 8 to discuss your need of a compliance review of portions of the City of Fort Wayne collection, transportation and disposal of solid waste contract for the period January 1, 1977 through December 31, 1981. It is our understanding that our review would be of the propriety of the compensation paid the contractor under the terms of the contract (defined in paragraph 11 and 12 of the contract) and the amendment to the contract dated December 5, 1979.

Based upon our reading of the contract, compensation consists of a base amount per year as defined in proposition No. 1 subject to adjustments provided for in the specifications. Under the contract, such adjustments include change in cost of doing business as measured by fluctuations in the Consumer's Price Index, wage adjustment based on rate increases paid City of Fort Wayne Street Department employees, additional units based upon net units constructed or demolished as shown by the official building permit records in the office of the Allen County, Fort Wayne Building Commissioner. In addition, the 1979 amendment added a monthly adjustment for changes in the contractor cost of fuel.

The scope of our engagement will be limited to applying agreed-upon procedures and reporting our findings. The form of our report is governed by existing professional standards as set forth in Statement on Accounting Standards -35, a copy of which is enclosed. Our report will indicate that the agreed upon procedures were applied to the compensation paid, indicate the intended distribution of the report, enumerate the procedures performed, state our findings, disclaim an opinion with respect to the compensation paid, and state that our report should not be associated with the financial statements of National Serv-All or the City of Fort Wayne.

Mr. Frank Heyman
October 12, 1981
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Exhibit I presents the tentative work program to be performed by our Firm. In accordance with your request, our work will be performed in December 1981 and our final report issued in early January 1982.

Fees for our services are based upon the number of hours incurred at rates that vary with the various classifications of staff who perform the services. We estimate that the time required for the services described above will not exceed 100 hours. Actual time incurred will be billed at an average rate of \$30 per hour for a total not to exceed \$3,000.00. If facts come to our attention which indicate that additional time will be required, we will discuss the matter with you and provide you with an estimate of the additional time required for your approval before proceeding with additional work.

We would be delighted to discuss this proposal, our credentials in providing service to government and answer any questions which you, the Mayor, the Board of Works or the City Council may have.

Very truly yours,

COOPERS & LYBRAND

A handwritten signature in dark ink, appearing to read "Louis W. Pach", written in a cursive style.

By Louis W. Pach
for the Firm

EXHIBIT I

Coopers & Lybrand Tentative Work Program

1. Meet with City officials to determine the procedures to be performed and the nature of assistance required of the City's staff.
2. Read the contract.
3. Review the Board of Works and City Council minutes to obtain an understanding of the intent of the parties involved.
4. Review the contract adjustments made by the contractor for propriety and consistency.

Specific procedures:

- A. Recompute the adjustments based upon contract and contract admendments language.
- B. Agree the Consumer Price Index to the published U.S. Department of Labor, Bureau of Labor statistics in the U.S. City category.
- C. Agree the wage scale increases to the City personnel records.
- D. Agree units obtained via annexation to City records (tax rolls).
- E. Agree additional units to official building permit records in the office of the Allen County, Fort Wayne Building Commissioner. Ascertain if units were based upon occupancy.
- F. Review procedure for determining negative unit adjustment based upon all dwelling units which were demolished and razed.
- G. Review procedure for determining if new apartment complex, mobile home courts or commercial food establishments which do not receive service by contractor under the terms of specification were not added to or retained in the unit figure used in determining compensation.

EXHIBIT I - Continued

- H. Fuel costs. Procedures in this area must be somewhat limited since access to contractor's records is not planned. Review the reasonableness of fuel cost adjustment to price statistics for the Fort Wayne Community for 1980 and 1981 (if such statistics are available). Alternative procedures might include having contractor's supplier confirm fuel costs paid or having contractor's CPA firm certify appropriateness of fuel cost adjustments billed.
 - I. Review billings to City for disposal of solid waste at contractor's land fill site - compare to City records if available.
- 5. Review payments made contractor to ascertain they agree with contractor's computation.
 - 6. Review findings with City officials.
 - 7. Distribution of a draft of the report to the parties involved with a request for their comments before the report is issued.
 - 8. Issuance of report.

Note: The above procedures do not include a review of negative adjustments that possibly should have been made in instances where existing apartment complexes, restaurants, etc., entered into separate agreements with the contractor but did not notify the City.

DIGEST SHEET

②-81-11-021

TITLE OF ORDINANCE Transfer of Funds in 1981 Revenue Sharing
AppropriationDEPARTMENT REQUESTING ORDINANCE City ControllerSYNOPSIS OF ORDINANCE Requesting transfer of the sum of \$4,000 from
Account No. 4-02-134-006-4262, Garbage Contract budget line to
Account No. 4-02-134-006-4263, Garbage Contract compliance to allow
for payment to Coopers & Lybrand for performance of contract compliance
review.EFFECT OF PASSAGE Review can be completed.EFFECT OF NON-PASSAGE Review cannot be completed.MONEY INVOLVED (DIRECT COSTS, EXPENDITURES, SAVINGS) \$4,000.00

ASSIGNED TO COMMITTEE (PRESIDENT) _____